NOTES MADE WITH PEN AND CAMERA

$ $ $ $ $ $ IN CONVENTION TO TALK CURRENCY

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1.—George F. Baker, New York banker, and son. 2.—Chairman Owen of senate banking and currency committee. 3.—William A. Gaston, banker of Boston. 4.—Chairman Glass of house banking and currency committee. 5.—James B. Forgan, banker, of Chicago. 6.—J. Pierpont Morgan. 7.—Jacob H. Schiff, banker, of New York. 8.—Trust company building in Chicago. 9.—Treasury building, Washington. 10.—Subtreasury, in Wall street, New York, with crowd collected by political meeting.

By CHARLES N. LURIE.

WHILE congress and the country talk about the currency measure 5,000 or more of the bankers of America have been planning to get together in Boston to discuss the measure.

For a subject that is, theoretically, about as dry as the sands of the Sahara, the currency question has received and is receiving much widespread attention in the United States. Even novices in finance evince interest in it. It dates way back to the opening years of the republic, when Washington and his advisers found it about the most knotty of all the questions they had to solve in establishing the government.

With the rapid growth of the United States in territory and commerce and the mismanagement of the United States bank, chartered in 1816, the currency question became acute again. It pretty nearly broke down the republic in the days of Andrew Jackson, whose memorable fight against the centralized United States bank is still cited by the opponents of centralized finance.

"Cheap" Money or "Dear?"

After the downfall of the United States bank, in 1832, came the periods of alternate prosperity and depression, with the matter of providing the United States with a proper currency system always under discussion. There were advocates of an unlimited supply of "cheap" money, denounced by its enemies as tending to depreciation of credit, insecurity of business and hard times. There were the friends of "dear" money, called hard to get and easy to concentrate in the hands of monopolists. The civil war brought legal tender notes, bond issues and the flight of gold to Europe. Then came prosperity, to be followed by the agitation of the demonetization of silver and the resumption of specie payments. About this time flourished the greenbackers, who argued that the government's right to issue as much money as it pleased was not to be abridged.

Every one remembers the Bryan fight of 1896 for the free and unlimited coinage of silver at the ratio of 16 to 1 with gold. The yellow metal carried the day and has ruled ever since. The panic of 1907 brought the question up again, in acute form, and the work of the national monetary commission found expression in 1911 and 1912 in the recommendations for the establishment of the National Reserve association.

Now comes the new Owen-Glass bill to reform the American currency system. It is named after Senator Robert L. Owen of Oklahoma and Representative Carter Glass of Virginia, chairmen, respectively, of the senate and house committees of banking and currency. They aim at satisfying the demand in banking, business and academic circles for changes in the American currency system that will make the money supply more elastic and responsive to the demands of business.

With that end in view the bill has been framed and has been amended and has been tinkered with for months. It has been changed to meet the objections of lawmakers, and it has been altered to suit the ideas of bankers. Business men have aired their views of it and university professors have expressed their opinions. Only an outline of the ends attempted by the bill can be given here. The outline is reproduced from the American Review of Reviews:

"The measure aims at making the monetary system of the country more simple and uniform and more readily available for the needs of business, both as to quantity and as to local demand and supply. As respects the machinery of its operation, it sets up at Washington a central body known as the federal reserve board. This is to consist of the secretary of the treasury, the secretary of agriculture, the comptroller of the currency and four other members, to be appointed by the president. One of them, according to an early draft of the bill, was to be a banker of practical experience, but this provision was criticised and made subject to change. The reserve board is to have large authority and discretion relating to the other parts of the mechanism and its functions. These other parts consist chiefly in a series of agencies, each to be a center of banking power for its region."

How Many Reserve Associations?

It was at first proposed to have anywhere from ten to twenty of these regional reserve associations, but they were later narrowed down to twelve. Five were proposed and some bold financial spirits went so far in defying the old prejudice against a central bank as to urge the establishment of one central reserve association.

"These federal reserve districts having been laid out," the Review of Reviews goes on to say, "there is to be created in each of them a federal reserve bank. The stock of this bank must be subscribed for by all the national banks of its district, each subscribing to the amount of 20 per cent of its own unimpaired capital.'

"There are to be no other stockholders except as state banks within the district may also be permitted to become members upon application. Each of these districts must be large and important enough so that the original subscriptions to the stock of its federal reserve bank shall provide a capital of at least $5,000,000. There are to be no depositors in this federal reserve bank of a given district except the banks themselves and the United States government.

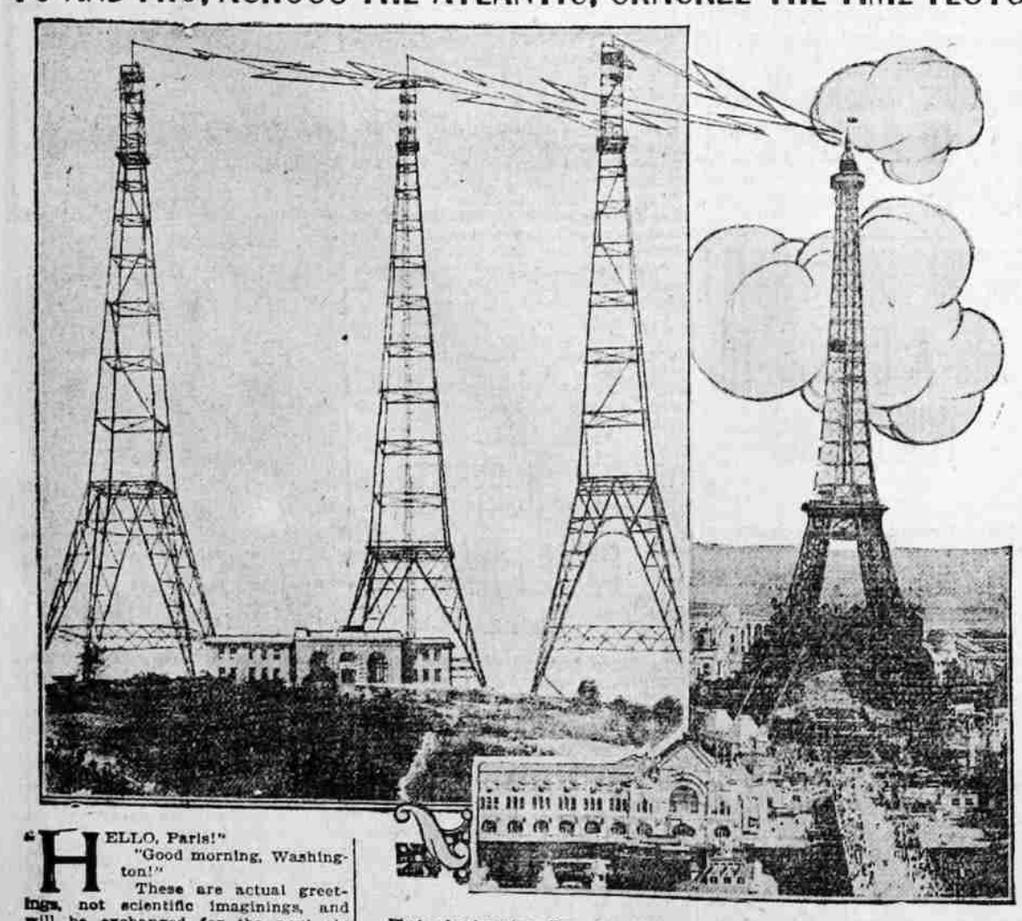
"The government will no longer deposit its surplus funds in ordinary banks as now nor let them lie unused in the vaults of subtreasuries, but, rather, will put them in these federal reserve banks subject to the supervision of the central board at Washington and to the direct authority over them of the secretary of the treasury.

"The bill provides for an issue of $500,000,000 of new treasury notes of the United States. These can be apportioned to the several federal reserve banks and by them in turn supplied to the ordinary banks at such times as money is especially needed, as when the crops are moving, and so on. This currency will be secured by the deposit with the federal reserve bank of commercial paper.

"The rates of rediscount would be fixed by the federal reserve bank, subject to the authority of the central bank at Washington. The federal reserve banks have each a board of nine directors, three of whom are chosen by the membership banks of the district from their own banking fraternity, three others chosen by the same members from the business community at large and three others designated by the federal reserve board at Washington. The earnings of the federal reserve banks may pay to the stockholders 5 per cent upon the paid up capital.

"There are provisions facilitating the exchange of the present large outstanding issue of 2 per cent bonds for bonds drawing 3 per cent. The act contemplates the definite extinction in due time of the present banknotes based upon the deposit of 2 per cent bonds. The 3 per cent bonds would not have the so called 'circulation privilege.' The bill contains provisions requiring what are deemed proper reserves, to be held in bank vaults or placed on deposit by the banks with the federal reserve bank of which they are members."

TO AND FRO, ACROSS THE ATLANTIC, CRACKLE THE TIME TESTS



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Wireless Station at Arlington, Va. (Left) and Eiffel Tower, Paris (Right).

"HELLO, Paris!"

"Good morning, Washington!"

These are actual greetings, not scientific imaginings, and will be exchanged for the next six months between the great new American wireless station at Arlington, Va., near Washington, and the French station on the Eiffel tower, in Paris. The French capital and the American will "converse." Through the 3,000 miles that lie between them will pass messages of good will and greeting, of scientific comparison of results. The undertaking is one of the most important yet planned in the field of wireless telegraphy.

The tests are called time tests, but they will undoubtedly have a wider range. They follow on the lines of those carried out by the bureau of longitude last March, when important results were obtained, despite unfavorable weather. It was then found possible to make frequent comparisons of time by the radiographic system, and on the night of March 28 Paris and Washington were able to converse. Attempts were also made with success to photograph records of the wireless signals.

It is expected that one result of the six months' tests will be the determination of the speed of the Hertzian waves across the Atlantic. As at present calculated the speed of the waves is equal to that of light—that is, about 186,000 miles a second.

Wireless telegraphy is making rapid strides nowadays. Three nations—the United States, Great Britain and France—are planning "around the world" systems. The British system will be the famous "all red" route, of which so much mention was made in the recent investigations of the British Marconi company's relations with the government. The French authorities say that as soon as the various colonial stations are completed they will make round the world tests, with the great station on the Eiffel tower, in Paris, as the first transmitting point.

The American system contemplates covering a great part of the world, with the primary purpose of keeping the navy department in Washington in constant touch with the vessels of the navy. The stations of the system will be one at Arlington, Va., one on the Pacific coast of the United States, one in the canal zone, one in Hawaii, one in Samoa, one on the island of Guam and one in the Philippines. The department recently ordered the installation of modern sets of apparatus at nearly all of the stations in the United States to replace the instruments which had become antiquated by the rapid advance of the science of wireless telegraphy. The army station at Fort Leavenworth, Kan., figures in the scheme as the overland transmitting point of the messages sent from Arlington to the Pacific.

One of the most interesting of the recent developments of the wireless is the utilization of the waves for sending out time signals throughout the United States. A few weeks ago it was announced in Chicago that jewelers, railroad officials and others desirous of having the correct time to a fraction of a second could have it flashed to them from Arlington, where it was received, of course, from the observatory in Washington.

"The wireless waves from the station at Arlington," said the radio inspector at Chicago, W. O. Hensgen, "are powerful enough to reach Chicago and even far west of here. Twice a day from the Arlington station the correct time is sent broadcast. It may be caught with even the simplest amateur wireless outfit if the machine is tuned to 2,500 meter wave lengths.

"As the waves travel at the rate of about 186,000 miles a second one need not worry about the length of time it takes the waves to get from Arlington to Chicago. We expect soon quite a number of firms will be setting their clocks here by wireless." Germany is also synchronizing the clocks throughout the empire in this manner.

MELCHIOR W. GATES.

Folks Who Can Look at Statues of Themselves

BESIDES the Order of Pole Discoverers, which contains only two members—or three, at most, if we admit the claim of Dr. Frederick A. Cook—probably the most exclusive company in the world is composed of the Men and Women Who Can Look at Statues of Themselves. Robert E. Peary, finder of the north pole, is doubly honored. He belongs not only to the Pole Finders' association, but, if he has a mind to do so, he can go to the American Museum of Natural History in New York city and gaze on his own features reproduced in marble. Strictly speaking, he ought to be only an honorary member of the Monumented Men and Women, for the museum tribute to him is only a bust. But the statue may come before Peary joins his forefathers. He's comparatively young yet.

Throughout the world there are less than a dozen men and only one woman with public monuments. Of course there are any number of men and women who have served as models for symbolic statues, but they don't count. Their names are not on the pedestals. So far as diligent research can discover here are all the living men and women who can look at counterfeit presentments of themselves and throw out their chests in pride:

Empress Augusta Victoria of Germany, Lord Curzon of Kedleston, former viceroy of India; Lord Kitchener of Khartoum, British agent in Egypt; Henri Fabre, the famous French entomologist; Robert E. Peary, discoverer of the north pole; Admiral George Dewey of the United States navy, and General John B. Castleman of Louisville, Ky.

The monument to General Castleman, showing him seated on his riding mare Carolina, will be unveiled Oct. 10. General Castleman is one of the leading citizens of Louisville and the monument is a tribute to him for his work in perfecting the fine park system of the city.

It is a bronze statue and is spirited in conception and execution. It is eminently proper that the bronze General Castleman should be put on horseback, so he can see himself as others see him, for he has spent much time in the saddle. He has been president of the American Saddle Horse Breeders' association for many years.

Rose lovers are responsible for the erection recently of a bust on a pedestal of Empress Augusta Victoria, consort of Emperor William of Germany. To help along the celebration of the twenty-fifth anniversary of the reign of the emperor and empress the Society of German Rose Lovers, of which the kaiserin is "protectress," put up the bust at Sangerhausen, Germany.

Admiral Dewey's "monument" stands in New York city. Let it be confessed that it isn't much of a monument, being only a humble wooden figure of the admiral as he looked, or as the woodcarver thought he looked, after he had licked the Spaniards in the battle of Manila Bay. A bright tobacconist thought a figure of the popular hero would embellish his place more than an old time wooden Indian. And there the national hero stands, inviting passersby to purchase cigars, cigarettes and cut plug!

Calcutta, India, has the distinction of possessing two monuments to living men. They are Lords Curzon and Kitchener. The former was monumented for his work as viceroy of India. Folks with a liking for the occult quote Lord Curzon's speech at the Mansion House, in London, in 1904, as prophetic of the unusual honor that was to be paid to him. He said, "To me the message is carved in granite, it is hewn out of the rock of doom—that our work is righteous and that it shall endure." Lord Kitchener won his monument by commanding the British troops in India.

Photos by American Press Association.

Bust of Empress Augusta Victoria; Monument to General John B. Castleman, in Louisville, Ky.

The monument to Henri Fabre, the aged Frenchman whose researches among insects are known to scholars the world over, stands in Avignon, the famous old French city.

Why wait to erect a monument to a man until he is dead? Such is the argument of Colonel John A. Joyce, who says that he and not Ella Wheeler Wilcox or any other is the author of the famous verses beginning "Laugh, and the world laughs with you." He has sent out an appeal to his friends to help to buy a bronze bust of himself.

ARTHUR J. BRINTON.